

**BILL #** HB 2205

**TITLE:** child support enforcement

**SPONSOR:** Hershberger

**STATUS:** As Amended by House HS

**PREPARED BY:** Art Smith

## FISCAL ANALYSIS

### Description

The bill allows the Division of Child Support Enforcement (DCSE) program of the Department of Economic Security (DES) to issue several types of child support orders. Under the bill, some of the enforcement responsibilities of the court will be shifted to DCSE, which would issue orders that would have the same force as a judgment of the Superior Court.

The current definition of child support includes medical insurance as a form of support; however, the bill would expand this definition to include cash medical support when medical insurance is unavailable up until it becomes available.

### Estimated Impact

Based on DES estimates, the bill is estimated to generate a total of \$48,900 in General Fund savings in FY 2009, if DCSE reduces its Attorney General staff due to decreased time dedicated to court hearings.

The bill could also generate savings to the courts and AHCCCS, however, these savings cannot be determined in advance.

### Analysis

#### Administrative Orders

The bill gives DCSE the authority to issue the following child support orders:

1. Administrative order of child support.
2. Temporary order of child support.
3. Administrative order of paternity.
4. Administrative order of cash medical support or order of medical insurance.

Attorney General staff currently review support orders, attend hearings on both contested and uncontested support orders issued by the court, and prove legal counsel to DCSE. Under the bill, DCSE estimates that there would be savings in Attorney General staff time spent in hearings for uncontested court orders, because hearings for orders that are not contested would no longer be necessary. Attorney General staff, however, would review proposed orders as they currently do.

The department estimates that 3,200 hours of time spent in court will be saved as a result of this bill. The amount of work hours saved would be the equivalent of 1.5 FTE Positions. If the amount of staff is reduced to correspond with decreased court time, JLBC Staff estimates that the resulting savings would total \$48,900 in General Fund monies (1.5 FTE Positions x \$32,600).

The reduced time spent in hearings for uncontested support orders would also reduce costs for the courts. JLBC Staff does not have an estimate of these potential savings.

#### Cash Medical Support

The bill expands the definition of child support to include both medical insurance and, if necessary, cash medical support when medical insurance is unavailable. If neither parent can provide medical insurance for the child, the court can establish a monthly cash medical support amount that one parent will pay. The amount of cash medical support is adjustable, but only if

both parents agree to the change. Once the parent paying cash support is able to provide medical insurance, DCSE has the authority to issue an administrative order suspending the cash support.

DES states that the issuance of a cash medical support order could reduce costs for AHCCCS, since AHCCCS would receive these payments. DES does not have an estimate of children covered by AHCCCS for whom child support is being paid.

### **Local Government Impact**

None

3/26/08